

WC 08-200

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COMMUNICATIONS ADVISORY COUNSEL LLC
DOCKET FILE COPY ORIGINAL
154 Wisconsin Avenue N.W.
Washington, D.C. 20007

Tel. 202-333-5273
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Sylvia Lesse
sylvia@Independent-Tel.com

September 18, 2008

Via overnight delivery

US Bank
1005 Convention Plaza
SL-MO-C2-GL
Saint Louis MO 63101

Re: Joint Application for Streamlined Transfer Control
of Domestic Section 214 Authorization

Shareholders of Citizens Telephone Company of Brevard NC and
Rock Hill Telephone Company dba Compodium

Section 214 Application.

FCC Form 159
Lockbox # 358145

Ladies and Gentlemen:

Enclosed is a sealed envelope containing the filing fee for the captioned application in the form of credit card authorization to charge \$965 to the account provided.

Please mark the enclosed copy of this filing as "received" and return in the pre-paid envelope provided.

Please refer any questions to the undersigned.

Sincerely,


Sylvia Lesse

STAMP & RETURN

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
Shareholders of)
Citizens Telephone Company of Brevard NC)
Transferors)
)
and)
)
Rock Hill Telephone Company dba Comporium,)
Transferee)
)
For Transfer of Control of Domestic Authorization)
under Section 214 of the Communications Act)

File No. _____

FILED/ACCEPTED

SEP 18 2008

Federal Communications Commission
Office of the Secretary

**JOINT APPLICATION FOR STREAMLINED TRANSFER OF CONTROL
OF DOMESTIC SECTION 214 AUTHORIZATION**

The shareholders of Citizens Telephone Company of Brevard NC ("Citizens" or "Transferor") and Rock Hill Telephone Company dba Comporium ("Comporium" or "Transferee") hereby request authorization to transfer control of the domestic Section 214 authorization held by Citizens from the current Citizens stockholders to Comporium, pursuant to the Commission's streamlined procedures, 47 C.F.R. § 63.03.

Comporium proposes to purchase one hundred percent (100%) of the issued and outstanding stock of Citizens. After the proposed transaction, which applicants seek to consummate on or before November 30, 2008, Citizens¹ will continue to exist and operate,²

¹ The control of Sylvan Valley CATV Company ("Sylvan Valley"), a wholly-owned subsidiary of Citizens providing video programming services in and around Brevard, North Carolina, will also be affected by the proposed transaction. Sylvan Valley also will continue to exist and operate after the proposed transaction.

² Immediately after consummation of the proposed transaction, Citizens will adopt the Transferee's tradename and operate as "Citizens Telephone Company dba Comporium." Citizens' current subscribers will be informed of the pending transaction in accordance with the requirements of Section 64.1120 of the Commission's Rules.

providing service pursuant to current rates, terms and conditions. Pursuant to the Commission's *Declaratory Ruling*,³ the proposed transaction is subject to the Commission's prior authorization despite the fact that Citizens itself is not engaged in the provision of interstate or international service.

The proposed transaction is entitled to streamlined treatment pursuant to section 63.03(b)(2)(iii) of the Commission's Rules. The proposed reorganization and change of ownership will result in all affiliated companies having a market share in the interstate, interexchange market of less than 10%; the rural LEC subsidiaries having, in combination, fewer than two (2) percent of the subscriber lines installed in the aggregate nationwide; and the transaction would result in no new overlapping or adjacent service areas.

In support of this application, the following information is submitted in accordance with the requirements of the Commission's Rules:

(1) Name, address and telephone number of each applicant:

The Shareholders of Citizens Telephone Company of Brevard NC
225 East Main Street
PO Box 1137
Brevard, NC 28712
(828) 884-9011

Rock Hill Telephone Company dba Comporium
PO Box 470
Rock Hill, SC 29731
(803) 324-9011

(2) Government, state or territory under the laws of which each corporate or partnership applicant is organized:

Citizens is organized under the laws of the State of North Carolina; Rock Hill Telephone Company is organized under the laws of the State of South Carolina.

³ *In the Matter of Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations, Declaratory ruling and Notice of Proposed Rulemaking, CC Docket No. 01-150, 16 FCC Rcd 14,109 (2001) ("Declaratory Ruling").*

- (3) **Name, title, post office address, and telephone number of the officer or contact point to whom correspondence concerning the application is to be addressed:**

For Citizens:

David Albertson
Secretary-Treasurer, Controller
Citizens Telephone Company
PO Box 1137
Brevard, NC 28712
Telephone: (828) 883-6405
Facsimile: (828) 862-5959

For Comporium:

Matthew L Dosch
Vice President -- External Affairs
Rock Hill Telephone Company dba Comporium
PO Box 470
Rock Hill, South Carolina 29731
Telephone: (803) 326-7287
Facsimile: (803) 326-5703

with a copy to Counsel:

Sylvia Lesse
Communications Advisory Counsel, LLC
2154 Wisconsin Ave., NW
Washington, DC 20007
Telephone: (202) 333-5273
Facsimile: (202) 333-5274

- (4) **Name, address, citizenship and principal business of any person or entity that directly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities:**

Citizens Telephone Company of Brevard NC

<u>Name & Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Charles W. Pickelsimer, Jr. PO Box 1137 Brevard, NC 28712	29.30	USA	telecommunications
Joseph E. Pickelsimer PO Box 1137 Brevard, NC 28712	16.92	USA	telecommunications
Lisa Pickelsimer PO Box 1137 Brevard, NC 28712	15.40	USA	telecommunications
Kimberly Pickelsimer PO Box 1137 Brevard, NC 28712	15.40	USA	telecommunications

Rock Hill Telephone Company dba Comporium

<u>Name & Address</u>	<u>% Voting Equity</u>	<u>% Nonvoting Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Frank S. Barnes PO Box 470 Rock Hill, SC 29731	17.34%	17.34%*	USA	telecommunications
2007 Jean D. Barnes Irrevocable Trust John M. Barnes, Jr. and Charles D. Barnes, Trustees PO Box 470 Rock Hill, SC 29731	17.33%	17.33*	USA	investments
E.L. Barnes PO Box 470 Rock Hill, SC 29731	17.33%	17.33*	USA	telecommunications
LAB Associates, LP 104 E. Summersby St. Fort Mill, SC 29715	48%	48%	USA	investments

The general partners of LAB Associates, LP are Ladson A. Barnes, Jr. and M. Rebecca B. Francis, all US citizens. The majority owner of the partnership is the Trust under Will of Ladson A. Barnes, Sr., (trustees, Ladson A. Barnes, Jr., Ladson A. Barnes, III and Frank S. Barnes, Jr.). The Trust owns 77.3844671% of the partnership. As of the date of this filing, other than Ladson A. Barnes, Jr., who owns 10.3% of LAB Associates, LP in his individual capacity, there are no other holders with derivative ownership interest of 10% or more in LAB Associates, LP, a South Carolina limited partnership.

(5) Certification pursuant to 47 C.F.R. Sections 1.2001 through 1.2003 that no party to the application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

All parties to this application hereby certify, pursuant to 47 C.F.R. Sections 1.2001-1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

* The nonvoting shares are held within the families of each of John M. Barnes, Sr. (deceased), Frank Barnes and E.L Barnes, including themselves, their spouses, their children, grandchildren and great-grandchildren, as well as trusts for the same.

(6) Description of the Transaction:

Comporium proposes to purchase 100% of the shares of Citizens, a local exchange and exchange access service provider. The proposed transaction also will result in a transfer of control of Citizens' video services subsidiary, Sylvan Valley.

(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:

Citizens Telephone Company of Brevard NC

Citizens Telephone Company of Brevard NC provides local exchange and exchange access service to approximately 20,000 access lines in Brevard, North Carolina and surrounding Transylvania County, North Carolina.

Rock Hill Telephone Company dba Comporium

Comporium provides local exchange service to 18 exchanges in South Carolina, serving approximately 147,000 access lines through affiliated companies. Comporium provides local exchange telephone services, enhanced local calling features, long distance toll services, Internet access, cable television services, and competitive local exchange services in communities neighboring incumbent local service areas. In addition, a Comporium affiliate offers wireless service within a geographic area coextensive with certain other affiliates' incumbent telephone service areas. See attached map, Exhibit 1.

Comporium's local exchange companies, Rock Hill Telephone Company, Fort Mill Telephone Company, Lancaster Telephone Company, Home Telephone Company and PBT Telecom, Inc., serve approximately 2350 square miles in and around the communities of Rock Hill, Fort Mill, Lancaster, Tega Cay, Fort Lawn, Moncks Corner, Harleyville, Pelion, Pond Branch, Gilbert, Wagener, Ridge Spring, and Swansea South Carolina and certain unincorporated areas of York, Lancaster, Berkeley, Chester, Dorchester, Orangeburg, Kershaw, Lexington, Aiken, Calhoun, Edgefield, and Saluda Counties. Neither these communities, the areas served competitively, nor territory served through wireless facilities border on any Citizens service areas. Rock Hill Telephone Company and its affiliate, Fort Mill Telephone Company, face competition from competitive local exchange carrier, tw telecom (fka Time Warner Telecom). Competitive wireless services are available from Alltel, AT&T Wireless, Cricket, Sprint and Verizon.

Another Comporium affiliate, Community Long Distance, Inc., offers toll service to the areas served by its local exchange affiliates. An affiliate of Community Long Distance, Inc., Springboard Telecom, LLC, also offers competitive local exchange and exchange access services to the communities of Charlotte, Gastonia, Shelby, Kings Mountain, Lincoln, Statesville, Bessemer City, Rutherfordton, and Lake Norman, North Carolina.

Community Long Distance, Inc. competes with more than 20 long distance carriers for intra- and interstate toll business.

Comporium affiliate PBT Communications, Inc. provides competitive local exchange services in parts of incumbent AT&T's Batesburg-Leesville, South Carolina exchange, and in parts of ALLTEL's Lexington, South Carolina exchange. In addition, it provides domestic (intra- and interstate) and international toll services to residences and businesses located within PBT Telecom, Inc. and its own exchange areas.

Map

A map showing the affected local exchange service areas is attached as Exhibit 1.

(8) Statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment:

The instant Application is entitled to streamlined processing under Section 63.03(b)(2) (iii) of the Commission's Rules because (a) applicant local exchange carriers collectively serve fewer than two (2) percent of the nation's subscriber lines; to the extent competitive local exchange service is offered, it is offered within the service territory of a dominant local exchange telephone company that is not a party to the proposed transaction; and there are no new overlapping or adjacent service areas among applications arising as a result of the proposed transactions; and (b) the proposed transfer would result in no change in the Applicants' interstate, interexchange market share, which is less than 10 percent.

Collectively, Applicants serve approximately 167,000 access lines predominantly in rural areas of North Carolina and South Carolina. This total comprises a minute fraction of the approximately 163,000,000 access lines in the nation. *See* Federal Communications Commission: Trends in Telephone Service, August, 2008 (Table 8.1, End-User Switched Access Lines as of June, 2007).

There is no overlap of service territories, and no change in existing instances of adjacent service areas. No party is affiliated with a facilities-based interstate domestic toll carrier. All domestic interstate toll services are offered through the resale of the services of unaffiliated, facilities-based exchange carriers. Citizens does not provide long distance services, and the Comporium interexchange affiliates serve fewer than one percent (1.0%) of the interstate, interexchange market.

The proposed transaction will have no adverse effect on competition. The Applicants' markets are individually and collectively so small that the proposed transaction will have no perceptible effect on competition. Accordingly, grant of streamlined treatment for this Application is consistent with Commission precedent.

(9) Identification of all other Commission applications related to the same transaction:

Citizens holds the following radio licenses:

KDM212 – Industrial/Business Pool, Conventional⁴

Contemporaneously with the filing of the instant Application, the parties are preparing and will file an application for Commission consent to the transfer of control of this license from the existing Citizens stockholders to Comporium.

(10) Statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:

No party to the application is requesting special consideration because of imminent business failure.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction:

There are no separately filed waiver requests being sought in conjunction with the transaction.

(12) Statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:

The proposed transaction is a transfer of control of a small, family-owned local exchange carrier and its subsidiaries to another small family-owned local exchange carrier. The transaction will enable the customers of both parties to experience the benefit of increased efficiencies, while continuing to enjoy the individualized attention associated with community-based telecommunications service providers.

The proposed transaction will have no adverse impact upon competition in any regulated telecommunications market. There is increasing competition from wireless service providers, including the three national giants – Sprint, Verizon Wireless and AT&T Wireless.

⁴ Citizens also holds Aircraft License 52TL; this license will be cancelled prior to the transaction's consummation.

Conclusion

In light of the foregoing, the parties respectfully request grant of the requested authorization on a streamlined basis.

Respectfully submitted,

**Shareholders of Citizens Telephone
Company of Brevard NC,
Transferors**

and

**Rock Hill Telephone Company dba
Comporium,
Transferee**

By:


Sylvia Lesse

Their Counsel



Communications Advisory Counsel, LLC
2154 Wisconsin Avenue, NW
Washington, DC 20007
(202) 333-5273

September 18, 2008

Rock Hill Telephone Company and Affiliates' Service Areas



Legend

-  Comporium Wireless Service Area
-  Incumbent Local Exchange Company Service Area

* Note: Neither cable TV nor CLEC operations exist in areas that are adjacent to or overlapping Citizens Telephone Company's service area.

DECLARATION OF DAVID ALBERTSON

I, David Albertson, Secretary-Treasurer and Controller of Citizens Telephone Company, do hereby declare under penalty of perjury that I have read the foregoing "JOINT APPLICATION FOR STREAMLINED TRANSFER OF CONTROL OF DOMESTIC SECTION 214 AUTHORIZATION," and the information contained therein regarding Citizens Telephone Company is true and accurate to the best of my knowledge, information, and belief.

9-17-08

Date



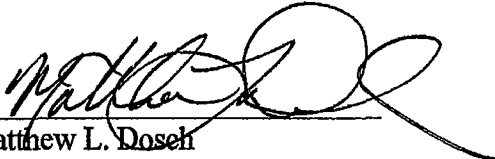
David Albertson

DECLARATION OF MATTHEW L. DOSCH

I, Matthew L. Dosch, Vice President – External Affairs for Rock Hill Telephone Company dba Comporium, do hereby declare under penalty of perjury that I have read the foregoing “JOINT APPLICATION FOR STREAMLINED TRANSFER OF CONTROL OF DOMESTIC SECTION 214 AUTHORIZATION,” and the information contained therein regarding Rock Hill Telephone Company and its affiliates is true and accurate to the best of my knowledge, information, and belief.

9/15/2008

Date


Matthew L. Dosch

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE
FORM 159

Approved by OMB
2004-0584
Page No. 1 of 2

(1) LOCKBOX # 358145		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (If paying by credit card enter name exactly as it appears on the card) Sylvia Lesse		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$965.00	
(4) STREET ADDRESS LINE NO. 1 2154 Wisconsin Avenue NW			
(5) STREET ADDRESS LINE NO. 2			
(6) CITY Washington		(7) STATE DC	(8) ZIP CODE 20007
(9) DAYTIME TELEPHONE NUMBER (include area code) (202) 333-5273		(10) COUNTRY CODE (If not in U.S.A.)	
FCC REGISTRATION NUMBER (FIRN) REQUIRED			
(11) PAYER (FIRN) 0010900918		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Citizens Telephone Company of Brevard NC			
(14) STREET ADDRESS LINE NO. 1 PO Box 1137			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY Brevard		(17) STATE NC	(18) ZIP CODE 28712
(19) DAYTIME TELEPHONE NUMBER (include area code) (828) 883-8405		(20) COUNTRY CODE (If not in U.S.A.)	
FCC REGISTRATION NUMBER (FIRN) REQUIRED			
(21) APPLICANT (FIRN) 0001961416		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY	
(26A) FEE DUE FOR (PTC) \$965.00	(27A) TOTAL FEE \$965.00	FCC USE ONLY	
(28A) FCC CODE 1	(29A) FCC CODE 2		
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1	(29B) FCC CODE 2		
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>Sylvia Lesse</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>Sylvia Lesse</u>		DATE <u>9/18/08</u>	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
ACCOUNT NUMBER <u>[REDACTED]</u>		EXPIRATION DATE <u>[REDACTED]</u>	
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described.			
SIGNATURE <u>Sylvia Lesse</u>		DATE <u>9/18/08</u>	

SEE PUBLIC BURDEN ON REVERSE

FCC FORM 159

JULY 2005

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE (CONTINUATION SHEET)
FORM 159-C

SPECIAL USE

FCC USE ONLY

Page No 2 of 2USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT
SECTION BB-ADDITIONAL APPLICANT INFORMATION

(13) APPLICANT NAME

Rock Hill Telephone Company dba Comporium

(14) STREET ADDRESS LINE NO. 1

PO Box 470

(15) STREET ADDRESS LINE NO. 2

(16) CITY

Rock Hill

(17) STATE

NC

(18) ZIP CODE

29731

(19) DAYTIME TELEPHONE NUMBER (include area code)

(803) 326-7287

(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) REQUIRED

(21) APPLICANT (FRN)

000188878

(22) FCC USE ONLY

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET

(23A) CALL SIGN/OTHER ID

(24A) PAYMENT TYPE CODE

(25A) QUANTITY

(26A) FEE DUE FOR (PTC)

(27A) TOTAL FEE

FCC USE ONLY

(28A) FCC CODE 1

(29A) FCC CODE 2

(23B) CALL SIGN/OTHER ID

(24B) PAYMENT TYPE CODE

(25B) QUANTITY

(26B) FEE DUE FOR (PTC)

(27B) TOTAL FEE

FCC USE ONLY

(28B) FCC CODE 1

(29B) FCC CODE 2

(23C) CALL SIGN/OTHER ID

(24C) PAYMENT TYPE CODE

(25C) QUANTITY

(26C) FEE DUE FOR (PTC)

(27C) TOTAL FEE

FCC USE ONLY

(28C) FCC CODE 1

(29C) FCC CODE 2

(23D) CALL SIGN/OTHER ID

(24D) PAYMENT TYPE CODE

(25D) QUANTITY

(26D) FEE DUE FOR (PTC)

(27D) TOTAL FEE

FCC USE ONLY

(28D) FCC CODE 1

(29D) FCC CODE 2

(23E) CALL SIGN/OTHER ID

(24E) PAYMENT TYPE CODE

(25E) QUANTITY

(26E) FEE DUE FOR (PTC)

(27E) TOTAL FEE

FCC USE ONLY

(28E) FCC CODE 1

(29E) FCC CODE 2

(23F) CALL SIGN/OTHER ID

(24F) PAYMENT TYPE CODE

(25F) QUANTITY

(26F) FEE DUE FOR (PTC)

(27F) TOTAL FEE

FCC USE ONLY

(28F) FCC CODE 1

(29F) FCC CODE 2

SEE PUBLIC BURDEN ON REVERSE

FCC FORM 159-C

JULY 2005

CERTIFICATE OF SERVICE

I, Sylvia Lesse, of Communications Advisory Counsel, LLC, do hereby verify that on this 18th day of September, 2008, I caused to be sent via First Class US Mail, postage prepaid, the foregoing "Joint Application for Streamlined Transfer Control of Domestic Section 214 Authorization" to the following:

The Hon. Michael F. Easley
Office of the Governor
20301 Main Service Center
Raleigh NC 27699

US Department of Defense
Assistant Secretary of Defense for C#1
100 Defense Pentagon, Room 3E712
Washington DC 20301

US Department of State
EB/CIP/SCA
Room 4826
2001 C Street NW
Washington, DC 20520

*Tracy-Wilson Parker
Wireline Competition Bureau
Federal Communications Commission
445 12th Street SW
Washington DC 20554

*Via e-mail


Sylvia Lesse